

**In the Specification:**

- Please amend the paragraph on page 11, lines 7-16, to add a period at the end of the last sentence, as follows:

The distortion table 64 of one embodiment includes the quantization levels and a corresponding expected quantization distortion for at least one sample-by-sample quantization technique. Each of the expected quantization distortion values may be a predetermined value. The predetermined values are an estimate of what the "real" quantization distortion may be for samples that were previously quantized to a particular quantization level. The "real" quantization distortion of a large number of samples quantized to a certain quantization level will converge towards the expected quantization distortion as the length of the frame (i.e. the number of samples) increases. By previously observing a frame of a reconstructed signal 28 that has been subject to sample-by-sample quantization, the expected quantization distortion may be estimated.